

## **PRO-PHARMACEUTICALS REPORTS FOURTH QUARTER and FULL YEAR 2007 FINANCIAL RESULTS**

### **The Company Plans to File a New Drug Application with the FDA for DAVANAT®**

**Newton, Mass. (March 28, 2008) -- Pro-Pharmaceuticals, Inc. (Amex: PRW)**, a developer of first-in-class, carbohydrate-based targeted therapeutic compounds, today reported its fourth quarter and full year financial results, ended December 31, 2007.

For the fourth quarter ended December 31, 2007, the Company reported a net operating loss of approximately \$1.4 million compared with a net operating loss of approximately \$1.3 million for the same period in 2006. The net loss for the fourth quarter of 2007 was approximately \$1.3 million, or (\$0.02) per share, basic and fully diluted, compared with approximately \$0.8 million or (\$0.03) per share basic and fully diluted, for the same period in 2006. Approximately \$0.1 million of the fourth quarter 2007 results was non-cash income related to the change in the fair value accounting of the convertible debentures and warrants and non-cash interest expense compared with approximately \$0.4 million in the fourth quarter of 2006.

For the full year ended December 31, 2007, the Company reported a net operating loss of approximately \$6.5 million compared with a net operating loss of approximately \$7.0 million for the full year 2006. The net loss for 2007 was approximately \$9.4 million, or (\$0.24) per share basic and fully diluted, compared with approximately \$3.2 million, or (\$0.11) per share basic and fully diluted, in 2006. Approximately \$3.1 million of the 2007 results was non-cash expense related to the change in the fair value accounting of the convertible debentures and warrants and non-cash interest expense compared with approximately \$3.7 million in income for the full year 2006.

“Despite a very challenging business and economic environment, we made excellent progress towards our goal to develop and commercialize our first-in-class carbohydrate-based therapeutic compounds,” said Theodore Zucconi, Ph.D., President, Pro-Pharmaceuticals. “We are very excited about the results from our completed Phase II clinical trial for end-stage colorectal cancer patients whose disease had progressed after being treated with all other therapies before entering our trial. In our trial, DAVANAT® extended the median survival of patients by 6.7 months that were previously heavily treated with other therapies. We plan to file a New Drug Application for DAVANAT® with the FDA this year. The need to improve drug therapies, particularly anti-cancer agents, is significant and represents a large market opportunity.

At December 31, 2007, the Company had cash of approximately \$1.3 million. Beginning in October 2007, the Company raised approximately \$1.7 million from a private placement and in February 2008 raised net proceeds of \$3.4 million from a registered direct offering. There was no debt, repayments or ratchet provisions involved.

Research and development expense for the full year 2007 was approximately \$2.1 million compared with approximately \$3.0 million for 2006. The decrease in 2007 R&D expense was due primarily to two clinical trials that were, for the most part, completed in 2006 and start-up costs for a Phase III clinical trial in Europe that was not continued in 2007 due to financial constraints.

General and Administrative expense for the full year 2007 was approximately \$4.4 million, compared with approximately \$4.0 million for the full year 2006. The increase is primarily the result of higher legal expense offset by a reduction in payroll due principally to employees taking reduced salaries to conserve cash.

## **Annual Shareholders Meeting**

The Company's Annual Meeting of Shareholders is scheduled to be held on May 21<sup>st</sup> at the Sheraton Needham Hotel, in Needham, Massachusetts.

## **Pro-Pharmaceuticals, Inc. – Advancing Drugs Through Glycoscience®**

Pro-Pharmaceuticals is a clinical stage company engaged in the discovery, development and commercialization of carbohydrate-based, target therapeutic compounds for advanced treatment of cancer, liver, microbial and inflammatory diseases. The Company's initial focus is the development of carbohydrate polymers to treat cancer patients. DAVANAT®, the Company's lead product candidate, is a polysaccharide drug whose mechanism of action is based upon binding to lectins on the cell surface. This form of target therapy may allow for higher doses of chemotherapy administration with no increase in toxicity. The Company's technology is also being developed as new chemical entities to treat serious diseases such as liver and kidney fibrosis. The Company is headquartered in Newton, Mass. Additional information is available at [www.pro-pharmaceuticals.com](http://www.pro-pharmaceuticals.com).

**FORWARD LOOKING STATEMENTS:** Any statements in this news release about future expectations, plans and prospects for the Company constitute forward-looking statements as defined in the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on management's current expectations and are subject to a number of factors and uncertainties, which could cause actual results to differ materially from those described in such statements. We caution investors that actual results or business conditions may differ materially from those projected or suggested in forward-looking statements as a result of various factors and not place undue reliance on forward-looking statements.

More information about those risks and uncertainties is contained and discussed in the Company's most recent quarterly or annual report and in the Company's other reports filed with the Securities and Exchange Commission. The forward-looking statements represent the Company's views as of the date of this news release and should not be relied upon to represent the Company's views as of a subsequent date. While the Company anticipates that subsequent events may cause the Company's views to change, the Company disclaims any obligation to update such forward-looking statements.

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